



Province of  
British Columbia

Ministry of  
Energy, Mines and  
Petroleum Resources

Parliament Buildings  
Victoria  
British Columbia  
V8V 1X4

Treasure Mt.  
889035  
9245W016

Rm. 105, 525 Superior St., Victoria, B.C., V8V 1X4, PH: 356-2229, FAX: 387-5985

May 15, 1989

LOG NO:	MAY 31 1989	VAN
ACTION:		
FILE NO:	Treasure Mt.	

Mr. Egil Livgard, Director  
Huldra Silver Inc.  
622 - 837 West Hastings Street  
Vancouver, British Columbia  
V6C 1B6

Dear Mr. Livgard:

**Re: Treasure Mountain Silver/Lead/Zinc Project**  
**- Prospectus (January, 1989)**

Participants in the Mine Development Review Process (MDRP) have completed their review of your company's January, 1989, prospectus. I attach review comments for your information and necessary action. A Stage I submission will be required for this project. I apologize for the delay in forwarding official comments to you. However, I trust that you have already received the key agency inputs through informal direct contact with review agencies. With respect to the Stage I submission, it is our intention to regionalize review of that report so that, when filed, it will be handled by a locally-based committee, rather than by the Victoria-based Mine Development Steering Committee. Details are provided later in my letter.

The attached review comments should be viewed as terms of reference for the forthcoming Stage I submission. Prior to embarking on the Stage I study program, if it has not already done so, your company is urged to meet with government agencies which have a major interest in your project to fine-tune the terms of reference. If any Stage I advice or information requirements are unclear, please contact the relevant Ministry, or else myself, and I will seek clarification.

A decision on project approval-in-principle will be made after the Stage I submission has been reviewed. Approval-in-principle will be granted if there are no major outstanding policy or technical concerns. It is especially important for the Stage I submission to focus on what agencies have identified as the key issues. In this regard, I wish to mention that the principal environmental concerns associated with

this project relate to the protection of surface and groundwater quality. Because the project could potentially affect the tributaries of the Similkameen river, which is an international boundary river, the Federal Department of Environment is interested in the proposed development pursuant to its responsibilities under the **United States Boundary Water Treaty Act**. I also point out that the Ministry of Forests does not support the Tulameen Forest Road being established as a public road, without it being upgraded to a double lane standard.

As pointed out in my letter to you on 1989-01-23, the company's proposed development schedule is optimistic. For some years, it has been the Steering Committee's practice to urge proponents to insure that they make provision for a field season to meet Stage I information requirements after the prospectus review comments have been forwarded to the proponent, and before the Stage I report is finalized and submitted for review.

I should note that the following agencies raised no concerns with respect to your company's project, and decline further involvement in project review:

- the Ministry of Parks;
- the Ministry of Agriculture and Fisheries
- the Ministry of Transportation and Highways
- the Ministry of Advanced Education and Job Training; and
- the Ministry of Attorney General.

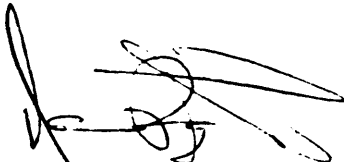
With respect to the regional review of your company's Stage I submission, please note the following. The Ministry of Energy, Mines and Petroleum Resources, in cooperation with the Mine Development Steering Committee, is planning to establish a Kamloops-based Mine Development Review Committee, to review and assess small, local, relatively noncontroversial mine development proposals. This committee will be chaired by a District Mines Inspector, and will be comprised of regional representatives of key Mine Development Review Process agencies. The Treasure Mountain Silver/Lead/Zinc Project has been identified as a candidate for review and assessment by the Kamloops Mine Development Review Committee, on which will sit the same key regionally-based Provincial and Federal Government representatives who reviewed your company's January, 1989, prospectus. If the Stage I submission is filed prior to formal establishment of the new committee, an existing Regional Reclamation Advisory Committee will handle the review in the interim.

Please contact me when your company is ready to submit the Stage I report, and I will arrange to provide you with a list of names and addresses for direct distribution of the report for review. In addition to members of the Regional Mine Development

Review Committee, a few agencies which either do not have regional representation or which maintain headquarters technical review expertise, will also require copies of the Stage I submission. In any event, we trust that the new regional committee approach will facilitate review and final approval of your company's project.

In closing, thank you for your company's cooperation with the review process to date. Please contact me if you have any questions (phone: 356-2229).

Yours truly,



Norman Ringstad, Secretary  
Mine Development Steering Committee  
c/o Engineering and Inspection Branch  
Mineral Resources Division

NR:AC:sf

Attachment: Review comments on prospectus

cc: see Distribution List

**DISTRIBUTION LIST****Cover Letter Only**

Ralph McGinn  
~~Tom Schroeter~~  
Ron Smyth  
Gil Scott

Larry Bomford  
Mike Kent  
Johann Schuyff

**Cover Letter and Review Comments**

John Errington  
Trevor Hancock/Ed Sadar  
Art O'Bryan  
Vic Preto (2 copies)  
John Dick (8 copies)  
Bill Kastelen (4 copies)  
Mac Ito (2 copies)  
Dennis Deans (2 copies)  
Sandy Currie (2 copies)

Daryl Brown  
Ray Kenny  
Elizabeth Cull  
Cynthia Lukaitis  
John Phillion  
Dyan Dunsmoor-Farley  
Tom Buckham  
Eric Denhoff  
Rabi Alam